

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: MacNeal Management Services, Inc.
DOCKET NO.: 05-20742.001-C-1
PARCEL NO.: 16-31-135-027-0000

The parties of record before the Property Tax Appeal Board are MacNeal Management Services, Inc. the appellant, by attorney Patrick J. Cullerton of Thompson Coburn Fagel/Haber, Chicago, and the Cook County Board of Review.

The subject property consists of 7,792 square foot parcel improved with a 34-year old, one-story loft type commercial building. Located in Berwyn Township, the improvement is masonry construction containing 9,998 square feet of building area, this includes a 4,508 square foot basement and a 982 square foot loft area.

The appellant, through counsel, submitted evidence before the Property Tax Appeal Board arguing that the fair market value of the subject was not accurately reflected in its assessed value. In support of that argument, an appraisal report was proffered. The report was authored by Bradley R. Braemer, Michael J. Kelly and William J. Townsley of Real Estate Analysis Corporation, Chicago. The appraisal revealed that Braemer, Kelly and Townsley are State of Illinois certified real estate appraisers and that Kelly and Townsley have the Member of the Appraisal Institute (MAI) designation.

After an examination of the subject site, building, neighborhood and environs, the report indicated the appraisers determined the subject's highest and best use as improved; its current use.

To estimate a fair market value for the subject of \$260,000 as of January 1, 2005, the appraisers employed two of the three classic approaches to value. The appraisers determined the income approach to value was not applicable to estimate a value for the subject.

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Cook County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	\$	23,687
IMPR.:	\$	75,113
TOTAL:	\$	98,800

Subject only to the State multiplier as applicable.

In the cost approach, the appraisers estimated a value for the subject site using the sales of five parcels located in the subject's general area. The comparables ranged in size from 7,523 to 28,653 square feet of land area and were sold from February 2000 to July 2004 for prices ranging from \$10.63 to \$25.88 per square foot of land area. After adjustments to the sales for property rights conveyed, financing terms, conditions of sale, market conditions, location and unique characteristics, the appraisers estimated a land value for the subject of \$24.00 per square foot of land area or \$185,000, rounded. Replacement cost of \$776,000 was estimated based on the component in place method. Employing the market abstraction method to estimate depreciation of the building and site improvements, the appraisers utilized 88.4%, or \$685,984, as the subject's accrued depreciation from all causes. The estimated land value added to the estimated depreciated value of the subject improvements resulted in an estimated value for the subject of \$275,000, rounded, via the cost approach.

The appraisers selected the sales of six commercial buildings located in areas similar to the subject's general area. The improvements range from 23 to 82 years old and from 2,500 to 88,069 square feet of building area. The comparables sold from January 2002 to March 2005 for prices ranging from \$31.23 to \$75.60 per square foot of building area including land, unadjusted. The appraisers analyzed the sales of the comparables and adjusted them for property rights conveyed, financing terms, conditions of sale, market conditions, location and other unique characteristics. From this information, the appraisers determined an estimated value of \$260,000, rounded, for the subject through the sales comparison approach to value.

In the reconciliation, the appraisers placed the most emphasis on the sales comparison approach, with secondary emphasis on the cost approach. The appraisers' final opinion of the subject's a fair market value was \$260,000 as of January 1, 2005.

Based on the appraisal evidence, the appellant requested a reduction in the subject's improvement assessment.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of \$125,373 was disclosed. The subject's final assessment reflects a fair market value of \$329,929, when the Cook County Real Property Assessment Classification Ordinance level of assessments of 38% for Class 5a properties such as the subject is applied. In support, the board of review offered a memorandum indicating the sales of properties in the subject's area suggest an unadjusted range of from \$43.75 to \$113.64 per square foot of building area thus supporting the current assessment. Cook County Assessor's Office sales sheets for the seven comparables were offered in support. The

comparable properties are one-story or two-story commercial buildings ranging from 36 to 53 years old; in building size from 8,700 to 10,581 square feet; and in land size from 7,000 to 25,744 square feet. These properties were sold from March 2001 to July 2004. Based on the foregoing, the board of review requested confirmation of the subject's assessment.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds it has jurisdiction over the parties and the subject matter of this appeal. The issue before the Property Tax Appeal Board is the subject's fair market value. Next, when overvaluation is claimed the appellant has the burden of proving the value of the property by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002); Winnebago County Board of Review v. Property Tax Appeal Board, 313 Ill.App.3d 179, 728 N.E.2d 1256 (2nd Dist. 2000). Proof of market value may consist of an appraisal, a recent arm's length sale of the subject property, recent sales of comparable properties, or recent construction costs of the subject property. Section 1910.65 *The Official Rules of the Property Tax Appeal Board* (86 Ill.Adm.Code §1910.65(c)). Having considered the evidence, the Board concludes that the appellant has satisfied this burden.

The Property Tax Appeal Board finds that the best evidence in the record of the subject's fair market value as of January 1, 2005 is the appraisal report submitted by the appellant. The appellant presented an appraisal utilizing two of the three classic approaches to value. Both approaches to value contained credible data and a concluded estimate of value based on a well reasoned analysis of the data. The appraisers relied most heavily on the sales comparison approach and each sale presented was described with appropriate adjustments made to each property when compared to the subject. In the cost approach to value, the appraisers followed appropriate methodology even though secondary emphasis was placed on this approach to value. The Board finds that the appraisers' final conclusion to value to be well reasoned and aligned with the conclusions reached in both approaches to value.

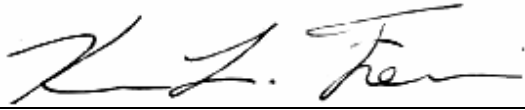
In contrast, the board of review presented only raw sales data without adjustments or analysis of the comparables and their comparability to the subject. The Board finds the board of review's presentation of seven sales without any meaningful analysis merely anecdotal. Therefore, the Property Tax Appeal Board places significant weight on the appellant's appraisal and places diminished weight on the board of review's evidence. As a result of this analysis, the Property Tax Appeal Board finds the appellant has adequately demonstrated that the subject is overvalued by a preponderance of the evidence.

Based on the foregoing analysis, the Property Tax Appeal Board finds the subject property had a market value of \$260,000, as of January 1, 2005. Since the fair market value of the subject has been established, the Board finds that the Cook County Real Property Assessment Classification Ordinance level of assessments of 38% for Class 5a properties such as the subject shall apply and a reduction is accordingly warranted.


This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member

Member

Member

DISSENTING: _____

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: February 29, 2008



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the

subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.